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## **News Release**

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### **Brooklyn Center man pleads guilty to charges related to mortgage fraud**

A 40-year-old Brooklyn Center man pleaded guilty today in federal court to using for his personal benefit money deposited on behalf of clients into the escrow account at his mortgage title company. Specifically, Terry Louis Lemke pleaded guilty to one count of wire fraud and one count of money laundering in connection to this crime.

Lemke entered his plea on Aug. 14 in St. Paul before United States District Court Judge Richard H. Kyle. He was charged on Aug. 3.

Lemke's plea agreement states that from June 2006 through 2007, he knowingly and intentionally defrauded clients by falsely representing to them that the funds they provided him as owner of All Metro Title, a mortgage brokerage company, were being held for their real estate transactions. Instead, however, Lemke was using that money for personal benefit. In his plea agreement, Lemke admits defrauding his clients of more than \$400,000 and possibly as much as \$1 million.

As part of his scheme, Lemke caused a wire transfer of \$193,226.76 from Lehman Brothers Bank in Colorado to an All Metro Title account on June 23, 2006. Then, on that same day, he paid \$20,746.18 from the All Metro Title account toward his personal credit card bill, knowing the money was derived from wire fraud.

Prosecuting cases related to mortgage fraud remains a priority of the U.S. Attorney's Office in Minnesota. "Home ownership is the dream of countless families, and this office will work tirelessly to ensure criminals do not turn that dream into a nightmare," said U.S. Attorney Todd Jones. "The FBI reports that Minnesota was one of the top 15 states in the nation for mortgage-related fraud during 2008. Those involved in these crimes should note, however, the U.S. Attorney's Office will continue to prosecute mortgage fraud cases vigorously."

Lemke faces a potential maximum penalty of 20 years on the wire fraud count and 10 years

on the money laundering count. Judge Kyle will determine Lemke's sentence at a future date.

This case is the result of an investigation by the Internal Revenue Service-Criminal Investigation Division. It is being prosecuted by Assistant U.S. Attorney David M. Genrich.